AWARD FEE PLAN

SECTION A - INTRODUCTION

- 1. Purpose: The primary objectives of the award fee plan are to positively motivate and reward the CMc to do excellent work and perform beyond the standard which is expected of a CMc of demonstrated ability, to emphasize key areas of management concern, foster partnering, and make the project team including the General Services Administration (GSA), the Architect and Engineer (A-E), and the Construction Manager as Constructor (CMc) extremely satisfied with the end product and the project delivery process. This award fee plan provides organization, specific policy and procedural guidance by which performance is to be evaluated by Award Fee Monitors, and the final rating and distribution of any award the sole responsibility of the Contracting Officer (CO.)
- 2. The construction phase portion of this contract will be a GMP plus-award-fee type contract. This Award Fee Plan applies to the construction phase only.
- 3. GSA anticipates a \$1,200,000 Performance Award Fee (see clause 0800.9) with \$1,000,000 of the Award Fee that the CMc may earn in whole or in-part during the contract, with the remaining \$200,000 that the A-E may earn based upon the CMc's success. The purpose of the award is to motivate the CMc, A-E and project team to excel in such areas as safety, quality, schedule, budget, teamwork, and customer satisfaction. This plan provides guidance by which performance is evaluated by Award Fee Monitors. The final rating and payment will be done by the Contracting Officer (CO). Allocation of the performance Award Fee is the unilateral determination of the CO.
- 4. The Monitors' evaluations will be conducted, based on the CMc's performance, immediately following the completion of 10%, 30%, 50%, 75%, and 90% progress payments, and immediately before the Final Payment & Release of Claims (with no exceptions). In no event shall any Award Fee be earned or paid in excess of the amounts established in this contract. The amount each earns is determined by the Government's judgmental evaluation of the CMc's performance in terms of criteria included in Section C.

5. Explanation of Terms:

- a. Award Fee Pool: The amount of Award Fee set forth in the contract that can be awarded in accordance with the plan. The total fee for each contract period will be divided into six (6) allotments representing the maximum amount that can be earned by each during each period.
- b. Award Fee Monitor: A Government representative designated to observe, assess, and report the Award Fee performance of the CMc in accordance with the procedures set forth in this plan may be required to receive, analyze, collate, and report data from other sources. Technical and functional experts will be used such as the GSA, A-E, CM, Building Manager, or other(s) to be named in writing by the CO after award of the construction contract.
- c. Contracting Officer (CO): The CO is responsible for evaluating Award Fee Monitor reports and making the final determination of the award fee. The CO may also review and change the Award Fee Plan criteria and associated weighting factors, but not the total Award Fee pool itself.
- d. Criteria: Evaluation Factors with assigned weights

e. Rating Periods: Six (6) periods include five (5) immediately following the 10%, 30%, 50%, 75%, and 90% progress payments, and one (1) immediately preceding the Final Payment and Release of Claims (with no exceptions).

SECTION B - EVALUATION PROCEDURES FOR THE INCENTIVE AWARD PERFORMANCE FEE

For the purpose of the Performance Award Fee determination, the procedures set forth below will be utilized:

1. General:

- a. The CMc's Award Fee performance will be reviewed and evaluated six (6) times during the contract. The review and evaluation shall be performed by the Award Fee Monitors, and an Award Fee recommended to the CO each period. The amount of award fee earned in any evaluation period may vary, and range from no award fee to the maximum amount of award fee available for that period.
- b. The amount of CMc's Award Fee available for each of the first five (5) award fee evaluation periods will be \$150,000 plus any unearned award fee amounts from the previous evaluation period. The base amount of CMc's Award Fee available for the sixth (final) evaluation period will be \$250,000 plus any unearned award fee amount from the previous evaluation period.
- c. The CMc's Award Fee amount for each evaluation period will be paid based upon a subjective evaluation of the CMc's performance
- d. In the event the CMc's Award Fee Monitors do not recommend the entire available award fee amount in each period, the amounts remaining shall be available to the CO to be awarded at his/her discretion for that evaluation period. For example, the CO may award the CMc an award fee greater than that recommended by the Award Fee Monitors based on CMc performance on special interest items, etc. The CO will support the award fee decision in writing.
- e. In the event that the CMc's performance is marginal or less than marginal in 50-percent or more of the evaluated performance criteria, the CO may decide to award less than that recommended by the Award Fee Monitors.
- f. For each evaluation, the CMc, Award Fee Monitors, and CO shall convene on dates and at the time and places established by the CO. Information to be considered shall include, as a minimum, the following:
 - (1) Evaluations of Award Fee Monitors.
 - (2) The CMc's Self Assessment of Performance. Any documentation, including an outline of a briefing supporting the Self Assessment will be submitted by the CMc to the CO and the Award Fee Monitors five (5) days prior to the Award Fee meeting.
- g. The Government reserves the right to consider all elements and aspects of the CMc's performance in relation to the criteria set forth herein in developing its final award fee determination. However, in the evaluation of award fee performance, factors or causes beyond the CMc's control which preclude the CMc from achieving a good or higher award fee performance level will not be considered against the CMc's performance.

- h. The Government retains the right to change unilaterally the performance criteria and/or the assigned weights at any time if it is in the best interest of the Government and / or as work requirements change. The Government shall furnish written notification of any substantive changes to the Award Fee Plan such as changes in performance criteria and/or assigned weights to the CMc prior to the first day of the evaluation period in which the new criteria or weights shall be used. At the end of the period, the award fee performance criteria will be reviewed for appropriateness and effectiveness, and may be modified after notification by the Government to the CMc.
- i. Any proposed changes to this Award Fee Plan by any party will be sent in writing to the CO. Changes will not be retroactive unless the CO determines that the change is in the best interest of the Government. Retroactive changes may be made to administrative and/or procedural requirements. Substantive changes, such as those referenced in paragraph "h." above, shall not be made retroactive.
- j. Nothing in this plan shall excuse the CMc from complying with the terms and conditions of the contract.
- k. The amount of the A-E's Award Fee available to be earned during each of the Award Fee periods will be no more than 20-percent of the Award Fee amount earned by the CMc. The amount of A-E's Award Fee available for each of the first five (5) award fee evaluation periods will be \$30,000 plus any unearned award fee amounts from the previous evaluation period. The base amount of A-E's Award Fee available for the sixth (final) evaluation period will be \$50,000 plus any unearned award fee amount from the previous evaluation period.

2. Fee Determination Process:

- a. The CMc will present a written Self Assessment and Oral Briefing to the CO and the Award Fee Monitors during the month after they achieve 10%, 30%, 50%, 75%, and 90% progress payments, and immediately before Final Payment and Release of Claims (with no exceptions).
- b. The Award Fee Monitors will complete their initial assessment before the CMc's presentation to the CO. They will provide a preliminary general Oral Debriefing to the CMc at the Award Fee Meeting. The purpose of the Award Fee Meeting is to assess the CMc's performance, and help them improve their performance in the general areas of safety, quality, schedule, budget, teamwork, and customer satisfaction.
 - Another goal is to help the Project Team (CMc, GSA, and A-E) improve their performance and work better as a Team. The Monitors will submit their final assessment within seven (7) days of the Award Fee Meeting to the CO. All parties will use the criteria and weights in this Award Fee Plan to assess the CMc's performance. The CO shall review the Award Fee Monitors' reports and the CMc's Self Assessment and make the final award fee determination within two (2) weeks after the Award Fee meeting.
- c. The Award Fee Monitors' reports to the CO shall be in writing setting forth, in detail by performance evaluation criteria, their recommended award fee amount for the evaluation period. The reports shall substantiate the Monitor's rating and will include any strengths or deficiencies the Monitor has about the CMc's performance.
- d. The CO may accept, modify, or amend the Award Fee Monitors recommendations based on the CO's own judgment.
- e. The CO will transmit the award fee determination to the CMc. The CMc may request payment of the award fee as part of their next monthly Progress Payment submittal.

SECTION C - AWARD FEE CALCULATION METHOD, PERFORMANCE EVALUATION CRITERIA, and ASSIGNED WEIGHTING FACTORS

- The performance evaluation criteria that will be used by the Government to determine the amount of award fee earned are outlined below. No more than 100% of the total award fee can be earned. Each of these criteria is weighted to indicate its relative importance. These weights are called weighting factors (WF).
- 2. The determination of the amount of award fee earned will be as follows:

Each Performance Evaluation Criteria is given an Assigned Weighting Factor. More important Performance Evaluation Criteria are given higher Assigned Weighting Factors. The Assigned Weighting Factor is a measure of the importance of one Performance Evaluation Criteria relative to another. The Assigned Weighting Factors for this contract are assigned in the table that follows:

TOTAL		100	100	100	100	100	100
14	Final Acceptance	-	-	-	_	-	35
13	Substantial Completion	-	-	-	-	-	35
12	Small Business Subcontracting Plan	5	5	5	5		-
11	Safety and Health	5	5	5	5	5	
10	Contract Modifications	5	5	5	5	5	5
9	Quality Control	10	10	10	10	10	5
8	Schedule & Move Coordination	20	20	20	20	30	15
7	Submittals	10	10	10	10	5	-
6	Cleaning and Protection	10	10	10	10	10	5
5	Trades and Workmanship Standards	5	5	5	5	5	
4	Administrative/Supervisory Personnel	10	10	10	10	10	-
3	Coordination/Partnering Meetings	10	10	10	10	10	-
2	Coordination of Trades	5	5	5	5	5	-
1	Coordination of Drawings	5	5	5	5	5	-
NO.	EVALUATION FACTOR	ASSIGNED WEIGHT BY PERIOD				IOD	
PERFORMANCE EVALUATION PERIOD		10%	30%	50%	75%	90%	Final

- 3. The CO determines if a Performance Evaluation Criteria represents a task that was active for the performance period. All non-active Performance Evaluation Criteria are assigned a zero value.
- 4. Points are assigned to each of the Performance Evaluation Criteria according to the ratings on a scale of 0 to 4 (such as 2.7, 3.8, etc....). Performance requirements for each of the ratings are specifically described for each of the Performance Evaluation Criteria in this Award Fee Plan. The Contractor's performance will be evaluated on each performance evaluation criteria using the following scale:

Rating	Points Assigned
Excellent	4
Very Good	3
Good	2
Marginal	1
Less Than Marginal	0

- 5. The Active Weighting Factor for each Performance Evaluation Criteria is multiplied by the Points assigned divided by the 4 possible points.
- 6. The Sum of the Active Weighting Factors is determined.
- 7. The Sum of the results of Step-5 above is determined.
- 8. The result of Step 8 is divided by the result of Step 7. This number is the percentage of the available award fee that will be granted to the Contractor.

EXAMPLE: A simplified example of the evaluation procedures along with a reiteration of the above steps follows:

Α	В	C	D	E	F
Performance	Assigned	Active Task?	Active Weighting	Points Assigned	Dx (E ÷ 4)
Evaluation	Weighting	(yes / no)	Factor Carryover	for Task (0 to 4)	
Criteria	Factor				
1	10	yes	10	3	7.5
2	10	no	0	0	0
3	10	yes	10	3	7.5
4	20	yes	20	2	10
5	30	no	0	0	0
6	20	yes	20	4	20
		Totals:	60		45

Column-A lists the numerical identification of each Performance Evaluation Criteria.

Column-B shows the Assigned Weighting Factor for each Performance Evaluation Criteria.

Column-C shows that Performance Evaluation Criteria's 1, 3, 4, and 6 were active during the performance period; and that 2 and 5 were not active during the performance period. Assigned Weighting Factors from Column-B for each Performance Evaluation Criteria are carried over to Column-D. Non-active Performance Evaluation Criteria are assigned a zero in Column-D

Column-E shows the Points Assigned for each Performance Evaluation Criteria.

Column-F is the numerical calculation of (Column-D) x (Column-E ÷ 4)

Columns-D and F are summed.

The sum of Column-F is divided by the sum of Column-D. Example: 45/60 = 75%. This number is the percentage of the available Award Fee that will be granted to the CONTRACTOR.

End of Example

AWARD FEE EVALUATION CHECKLIST

The Award Fee Evaluation Checklist follows: It is a summary checklist that will used to assess the CMc's performance when rated against the entire construction contract.

μ e i	normance when rated against the entire construction contract.
1.	Coordination Drawings: CMc provides shop drawings, coordination drawings, and other submittals in a timely manner to ensure that the work is done right, interference's are kept to a minimum, and the project is ahead of schedule. The objective of this is to ensure that rework and interferences are minimal and/or eliminated.
We	eight: Points: (0 to 4) Weighted Score:
2.	Coordination of Trades: CMc coordinates the work of the trades (subcontractors) so that interference's are avoided, equipment is installed in a workmanlike manner, and the job progresses without rework being performed. The CMc is responsible to ensure that the subcontractors perform their work in a timely, professional manner.
We	eight: Points: (0 to 4) Weighted Score:
3.	Coordination/Partnering Meetings: This project is "partnered" by the Government, Architect, Construction Manager, Tenants, CMc, and CMc Subcontractors. These meetings are an opportunity for all parties to ensure that it will be a highly successful project. Therefore, it is extremely important for the attendees to come with a positive attitude, reaffirming the efforts that have helped the job be successful while also asking questions as appropriate.
	The CMc and appropriate CMc Subcontractors attend these meetings fully prepared to explain the status (schedule, quality, budget, etc.) of the project, answer pertinent questions, and work as a productive, proactive team member to ensure the success of the project. Areas of concern are discussed in a timely manner with the Project Team to ensure all parties are informed of any problems, work together for their successful resolution, and celebrate their achievements. The following are examples of these meetings:
	a. Weekly Progress
	b. Monthly Teamwork
	c. Periodic Award Fee
	d. Other as appropriate such as milestone
	Meetings will be well managed and useful to all parties. Minutes will be recorded with accuracy assessed including the project status, critical items discussed, and actions items or follow-up as appropriate.
W	eight: Points: (0 to 4) Weighted Score:
4.	Administrative/Supervisory Personnel: It is imperative that the CMc and its Subcontractors provide the

best, qualified people available to manage, supervise, and administer the work. The CMc provides (and

	the Government will approve) only self-motivated, experienced, team- oriented personnel who want to have a highly successful project and meet all the project goals.				
We	ight:	Points:	(0 to 4)	Weighted Score:	
5.	and knowled minimum.	edgeable in me The CMc and	ethods and crafts its Subcontracto	ards: The CMc ensures that persons performing work are skilled smanship to do high quality work. D & O's shall be kept to a responsive in manning the project and hiring qualified y construction market.	
We	ight:	Points:	(0 to 4)	Weighted Score:	
6.	adjoining p	ublic/tenant a	reas. The CMc e	ently cleans and protects on a daily basis construction and ensures that none of the work complete or in progress, will be ng, or otherwise harmful exposures during the construction	
We	eight:	Points:	(0 to 4)	Weighted Score:	
7.	Submittals: All submittals are made in a timely manner to the CO or to an individual designated by the CO. Only the CO or an individual designated by him in writing can approve or disapprove submittals. The CMc makes every effort to provide submittals to the Government to ensure that the approved schedule is maintained. All shop drawings are coordinated, and provided in a complete timely manner. The CMc is responsible for dimensions to be confirmed and correlated at the job site. The CMc provides a schedule of submissions for approval by the CO after notice to proceed is received. The CMc provides submittals for the following as appropriate:				
	a. Shop Dr	rawings.			
	b. Product	Data.			
	c. Sample:	3.			
	d. Certifica	ites of Confor	mance or Compli	ance	
	e. Certified	l Test and Ins	pection Reports		
	f. Warrant	ies (Guarante	es)		
	g. Survey	Data.			
	h. Standar	ds/Manufactu	rer's Recommend	dations.	
	i. Close-C	out Submittals			
We	eight:	Points:	(0 to 4)	Weighted Score:	
8.	Schedule 8	& Move Coord	ination: Provide s	schedules in accordance with the contract. Ensure that all work	

8. Schedule & Move Coordination: Provide schedules in accordance with the contract. Ensure that all work is performed in a timely manner and any potential delays are identified immediately. Discuss potential delays with the Project Team. If necessary, develop plans to expedite the job and get the project back on schedule. All change orders are immediately incorporated into the schedule to enable all parties to

	evaluate their impact. Provide move coordination & relocation management services as required for each tenant agency. Plan & track all required activities leading up to & extending through the successful completion of the actual agency move. The CMc activity participates during design & construction providing advice, input, and counsel regarding coordination of all moves.
We	ight: Points: (0 to 4) Weighted Score:
9.	Quality Control: Provide inspection and testing services to verify compliance with requirements specified or indicated. These services do not relieve the CMc of their responsibility for compliance with the contract document requirements. D & O's are kept to a minimum and corrected promptly. CMc is proactive in the identification of unacceptable or non-compliant work. The quality of work meets or exceeds contract requirements.
We	ight: Points: (0 to 4) Weighted Score:
10.	Contract Modifications: The CMc is timely, complete, and reasonable in their pricing, negotiation, and incorporation of contract modifications (especially the Tenant Improvement Package) into the contract and its schedule. The CMc will help the Government manage the project budget. The CMc will work with the Government team to develop creative, innovative, and proactive means and methods to ensure that the project is completed within budget. The goal is to have minimal changes and no claims on the project.
We	eight: Points: (0 to 4) Weighted Score:
11.	Safety and Health: The CMc meets with the government representatives prior to the start of work to review the CMc's safety and health programs. All work complies with the applicable federal, state, and municipal safety and health requirements. The CMc assumes full responsibility and liability for compliance with applicable regulations pertaining to the health and safety of personnel, and shall hold the Government harmless for any action on their part, their employees or subcontractors, which results in illness, injury or death. The CMc takes all necessary precautions to prevent injury to the public, building occupants, or damage to property of others. The CMc has a proactive safety program and no serious injuries or deaths on the job.
We	eight: Points: (0 to 4) Weighted Score:
12.	Small Business Subcontracting Plan: Efforts attaining socioeconomic program compliance shall constitute an evaluation criterion and focus on the following: Development and execution of effective subcontracting plan. Timely compliance with reporting requirements. Timely and accurate submission of semi-annual reporting documents. Effective utilization of small business, veteran-owned small business, service disabled veteran-owned small business, hub zone small business, and woman-owned small business concerns. Superior efforts and results in transferring QC/QA technology to small business, veteran-owned small business, service disabled veteran-owned small business, hub-zone small business, and woman-owned small business concerns. Superior efforts to attract qualified small business, veteran-owned small business, service disabled veteran-owned small business, hub-zone small business, and woman-owned small business concerns to the project. Superior mentoring activities for small business, veteran-owned small business, service disabled veteran-owned small business, hub-zone small business, and woman-owned small business subcontractors working on the project. Results shall strive for a superior success rate for subcontractor participation at contract completion. The CMc may earn award fee even if the subcontracting goals are not met or exceeded, provided that a positive program of socioeconomic program compliance is accomplished in good faith and superior effort is demonstrated.
We	eight: Points: (0 to 4) Weighted Score:

- 13. Substantial Completion: Complete the following within 30 calendar days from the date of substantial completion date:
 - a. Correction of all D & O's including final cleaning of the building
 - b. Complete start-up/testing of building systems.
 - c. Operation & maintenance training to Government Personnel: Provide the services of competent instructors who will give full instruction on systems and equipment to maintenance personnel. Utilize the maintenance manual for the system or equipment as a text for instruction. Manage the training of key Government maintenance personnel to ensure that they are sufficiently knowledgeable to maintain the building. Trainers and training material must be adequate to ensure that Government personnel can adequately operate and maintain the building and its systems.
 - d. Posting of all operating instructions. Provide instructions that are understandable by the Government maintenance personnel so that the building can function properly
 - e, Submission of all operational & maintenance (O & M) manuals.
- f. Submit record drawings.
 Weight: ______ Points: ______ (0 to 4) Weighted Score: ______
 14. Final Acceptance: Complete the following within 45 days from the date of substantial completion:

 a. Final payment and Release of Claims (with no exceptions).
 b. Final punch-list stating that each item has been completed or otherwise resolved for acceptance.
 c. Submit specified warranties.
 e. Deliver specified tools, spare parts, extra stocks of materials, and similar specified physical items to the Government.
 f. Final change-over of locks, transmit building keys to the CO, and advise Government personnel of change-over in security provisions.
 g. Ensure that all systems are complete and functioning properly, and make sure that the tenants are extremely satisfied with the Phase VI contract work.

 Weight: _____ Points: _____ (0 to 4) Weighted Score: ________